

HUD Handbook 4350.3 REV-1, Change 2

Implementation Guidelines

Clarification Issues

4350.3 REV-1 Chg. 2 Reference	Description	Change 2 Clarification	MOR Issue (Y)/(N)	Date to Implement
Paragraph 3-6, Figure 3-3	Income Limits	Section 202 Program was added and clarified in Figure 3-3.	N	N/A
Paragraph 3-17 Figure 3-5	Definitions of Elderly & Disabled Used to Determine Project Eligibility	Definitions are now explained in a chart	N	N/A
Paragraph 7-7 B.1, a 2	Notices to Tenants	The sample Initial Notice was corrected to include the cut-off date language of the 10 th day of the 11 th month.	Y	June 2007
Paragraph 9-2 Figure 9-1	HUD-50059 and Subsidy Data Reporting	HUD-50059 form has been reinstated and will no longer be referred to as the 50059 Facsimile.	N	N/A
HUD 9887/9887a Forms	Tenant's Release of Information	Authorization to obtain Human Health and Services information from EIV is included in the current version of the 9887/A (2-2007).	Y	June 2007

Policy Changes

4350.3 REV-1 Chg.2 Reference	Description	Change 2 Policy Changes	MOR Issue (Y)/(N)	Date to Implement
Paragraph 2-9 C	Limited English Proficiency (LEP)	Owners must take affirmative steps to communicate with persons who need services or information in a language other than English.	Y	1/1/2008
Paragraph 4-4 C.6 and paragraph 4-14 A.1	Tenant Selection Plan (TSP)	Modifications to TSP required for Title IV and 504 and allow the applicant an alternative method of submitting an application as a reasonable accommodation.	Y	1/1/2008
Paragraph 4-4 C.5, paragraph 7-15 D and paragraph 7-16 B.2	Unit Transfer Policy	An Owner is now required to pay for a tenant's move for a reasonable accommodation transfer and owners must develop additional transfer policies.	Y	1/1/2008
Paragraph 4-9 C	Application rejection letter	The following must be added to the rejection letter: Persons with disabilities have the right to request reasonable accommodations to participate in the informal hearing process.	Y	1/1/2008
Paragraph 5-7 G.2	Annuities	Calculation for some types of annuities has changed and in those circumstances only the income is counted and it is not counted as an asset.	Y	1/1/2008

Paragraph 5-15 Figure 5-5	Verification and Consent Forms	All verification and consent forms must be revised to include the updated language.	Y	1/1/2008
Exhibit 5-3 Pages 5-91 to 5-93	Medical Expenses That Are Deductible and Nondeductible	Revised definitions for Cosmetic Surgery, Medical savings accounts, Nutritional Supplements, Personal Use Items and Non- prescription Medicines.	Y	1/1/2008
Chapter 6	Lease	Owners should be notified that when they implement the new HUD Model Lease and a tenant has fulfilled the initial lease term, the subsequent lease term should be used for the new lease.	Y	N/A
Paragraph 9-12 B-5	Rent Concessions	If an owner elects to grant rent concessions, the owner cannot bill HUD for either the rental assistance or the tenant's portion of the rent for the month or months the concession is given.	Y	1/1/2008
Appendix 5 Paragraph 6-29 C.2 Clarified in HUD Q & A Summary of Questions	Move-In/Move Out Inspection Form	Forms must be modified to include the inclusion of the "decent, safe, and sanitary" statement.	Y	June 2007
Appendix 14	HUD Fact Sheet (Version 6/07)	All of the Fact Sheets "How Your Rent Is Determined" have been revised.	Y	1/1/2008

Clarification Issues

4350.3 REV-1 Chg.2 Reference	Description	HUD Clarification Required Prior To Implementation	MOR Issue (Y)/(N)	Date to Implement
Chapter 6	HUD Model Lease	HUD Model Lease including Michigan Language: Michigan version for Section 8, Section 8 Elderly and Section 202 have been revised and will be posted to HUD and MMAM websites soon.	Y	Upon HUD Approval of the Michigan Lease
Paragraph 6-5 C.2	Lease Requirements	HUD will permit modifications to the Model Lease for Subsidized Programs, but HUD must approve modifications.	Y	HUD must approve a Lease change.
Paragraph 6-5	Cooperative Occupancy Agreements	Occupancy agreements for assisted cooperatives must incorporate the cooperative's policy on unit transfers and paragraphs 15, 16, 17, 23 and 25 of the Model Lease for Subsidized Programs covering; recertification, termination of assistance, and fraud penalties.	Y	Upon HUD Approval of the Cooperative Occupancy Agreement Addendum